

HOUSE BILL 665
By Vincent

AN ACT to amend Tennessee Code Annotated, Title 54, Chapter 5, Part 8, relative to relocation of utilities.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF TENNESSEE:

SECTION 1. Tennessee Code Annotated, Section 54-5-804(a), is amended by adding the following language as a new subdivision (4):

(4) The commissioner is authorized and required to reimburse utilities owned by business organizations that are chartered as not-for-profit utility districts for all reasonable costs associated with utility relocations necessitated by construction on state highways, IF:

the annual cost to recover the reasonable cost of relocating the utilities, as then constituted, when amortized over a period of ten (10) years or less cannot be paid out of the additional revenue generated by a rate of increase in customer fees of five percent (5%) or less.

If such costs could be so recovered but for the financing costs, then, subject to the availability of funds, an interest-free loan shall be made under § 67-3-2001 in lieu of reimbursement by the commissioner.

"Reasonable costs" shall include only the costs of replacement in kind and exclude the proportion of costs representing an improvement or betterment of the utility.

SECTION 2. This act shall take effect upon becoming a law, the public welfare requiring it and shall apply to all state highway construction projects for those utilities or utility districts to which this act applies which have not been completed as of the effective date.